



CAC GRANT PROGRAMS

Fiscal Sponsor Information for Applicants

The following California Arts Council (CAC) grant programs accept applications by organizations that do not have nonprofit designation, and are applying with a Fiscal Sponsor:

- Arts Education (Artists in Schools and Professional Development, Extension, and Exposure)
- Artists In Communities
- Cultural Pathways
- Local Impact
- Organizational Development
- Professional Development
- State-Local Partnership
- Statewide and Regional Networks
- Veterans Initiative in the Arts

Fiscal Sponsor Eligibility Requirements:

- Must be a nonprofit organization with tax-exempt status under section 501(c)(3) of the Internal Revenue Code
- Must be based in California
- Must demonstrate consistent arts programming or service to the nonprofit arts sector in California for a minimum of two years
- Must have compatible organizational goals to that of the Applicant organization
- Must submit IRS Form 990 for most recently completed fiscal year at time of application

Fiscal Sponsor Responsibilities:

If an Applicant Organization designating a Fiscal Sponsor is recommended for funding, the Fiscal Sponsor becomes the legal contractor for the grant. The Grant Standard Agreement will identify the Fiscal Sponsor as Contractor. All contractual documents, including invoices, must be signed and/or approved by a representative of the Fiscal Sponsor organization. Grant disbursements will be processed and mailed to the Fiscal Sponsor. The Fiscal Sponsor will be responsible for distributing funds to the Applicant Organization and maintaining financial records pertinent to these transactions.

Relationship Between the Applicant and the Fiscal Sponsor:

- CAC does not currently accept applications from individual applicants, all applicants must be organizational entities.
- It is the duty of the Applicant Organization to supervise the development and execution of the project, to maintain oversight of day-to-day activities, and to conduct all required project evaluation and reporting. A Fiscal Sponsor is not primarily responsible for developing and executing the project, and should not be the Applicant.



- It is the duty of the Fiscal Sponsor to maintain “discretion and control” of funding received from the CAC. Though Fiscal Sponsors may not be directly involved in the execution of funded activities, they are expected to maintain close involvement with the Applicant Organization to ensure that funding is used in accordance with the approved project proposal.
- A grantee may not change fiscal sponsors for an approved project during the funded activity period.
- Typically, the fee for Fiscal Sponsorship is 8-12% of the award amount. Fiscal Sponsors requesting a higher percentage of the award amount should be providing significant administrative support.
- For further information regarding best practices in fiscal sponsorship, see Melanie Beene, “Fiscal Sponsorship is Maturing as a Field” in *The GIA Reader*, Vol. 21, No. 3 (Fall 2010). Access date: Jan. 26, 2017: <http://www.giarts.org/article/fiscal-sponsorship-maturing-field>.

Sponsoring Multiple Applications:

- An organization may act as the Fiscal Sponsor for multiple Applicant organizations.
- An organization may submit its own proposal as the Applicant, in addition to acting as the Fiscal Sponsor for another Applicant’s proposal.

Grant Proposal Requirements:

- An official letter of agreement between the Applicant and the Fiscal Sponsor confirming their understanding of and compliance with the provisions stated above is required at the time of application.
- An IRS 990 Form for the Fiscal Sponsor, along with a CAC DataArtsFunder Report **or** statement of financial health for the Applicant (depending on the grant program requirements) **must** be included in the proposal.
- The eligible request amount is based on the *Applicant’s* prior year total operating revenue; not that of the Fiscal Sponsor.